

**DEPARTMENT OF TRANSPORTATION****Notice of Application for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart Q During the Week Ending December 19, 1997**

The following Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits were filed under Subpart Q of the Department of Transportation's Procedural Regulations (See 14 CFR 302.1701 et. seq.). The due date for Answers, Conforming Applications, or Motions to Modify Scope are set forth below for each application. Following the Answer period DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

*Docket Number:* OST-97-3270.

*Date Filed:* December 19, 1997.

*Due Date for Answers, Conforming Applications, or Motion to Modify Scope:* January 16, 1998.

*Description:* Application of WestJet Express Airlines, Inc., pursuant to 49 U.S.C., 41102 and Subpart Q of the Regulations, request a certificate of public convenience and necessity authorizing WestJet to engage in interstate charter air transportation of person, property and mail. WestJet also requests that this application be processed through the use of expedited non-hearing procedures, and that if possible, the Department proceed directly to a Final Order in this matter.

*Docket Number:* OST-97-3273.

*Date Filed:* December 19, 1997.

*Due Date for Answers, Conforming Applications, or Motion to Modify Scope:* January 16, 1998

*Description:* Application of Continental Airlines, Inc., pursuant to 49 U.S.C. 41108, 41102 and Subpart Q of the Regulations, applies for a certificate of public convenience and necessity authorizing Continental to provide scheduled foreign air transportation of persons, property and mail between Houston, Texas and Sao Paulo, Rio de Janeiro, Belo Horizonte, Brasilia, Curitiba and Porto Alegre, Brazil, and to combine this authority with Continental's other exemption and certificate authority consistent with applicable international agreements. Continental also asks for an allocation of the seven U.S.-Brazil combination frequencies which become available October 1, 1998, pursuant to the U.S.-

Brazil Memorandum of Consultations signed November 18, 1997.

**Paulette V. Twine,**

*Documentary Services.*

[FR Doc. 97-33903 Filed 12-29-97; 8:45 am]

BILLING CODE 4910-62-P

**DEPARTMENT OF TRANSPORTATION****National Highway Traffic Safety Administration**

**[Docket No. NHTSA-97-3268]**

**Panoz Auto Development Company; Receipt of Application for Second Renewal of Temporary Exemption From Federal Motor Vehicle Safety Standard No. 208**

Panoz Auto Development Company of Hoschton, GA., has applied for a second renewal of its exemption from paragraph S4.1.4 of Federal Motor Vehicle Safety Standard No. 208 *Occupant Crash Protection*. The basis of the reapplication is that compliance will cause substantial economic hardship to a manufacturer that has tried to comply with the standard in good faith.

This notice of receipt of an application for renewal is published in accordance with the requirements of 49 U.S.C. 30113(b)(2) and does not represent any judgment of the agency on the merits of the application.

Panoz received NHTSA Exemption No. 93-5 from S4.1.4 of Standard No. 208, an exemption for two years which was initially scheduled to expire August 1, 1995 (58 FR 43007). It applied for, and received, a renewal of this exemption for an additional two years, scheduled to expire on November 1, 1997 (61 FR 2866). On August 28, 1997, NHTSA received Panoz's application for second renewal, which was more than 60 days before the scheduled expiration date of its exemption. In accordance with 49 CFR 555.8(e), Panoz's filing of its application before the 60th day stays the expiration until the Administrator grants or denies the application for second renewal.

Panoz's original exemption was granted pursuant to the representation that its Roadster would be equipped with a Ford-supplied driver and passenger airbag system, and would comply with Standard No. 208 by April 5, 1995 after estimated expenditures of \$472,000. As of April 1993, the company had expended 750 man hours and \$15,000 on the project.

According to its 1995 application for renewal,

Panoz has continued the process of researching and developing the installation

of a driver and passenger side airbag system on the Roadster since the original exemption petition was submitted to NHTSA on April 5, 1993. To date, an estimated 1680 man-hours and approximately \$50,400 have been spent on this project.

At that time, Panoz used a 5.0L Ford Mustang GT engine and five speed manual transmission in its car. Because "the 1995 model year and associated emission components were revised by Ford", this caused

a delay in the implementation of the airbag system on the Roadster due to further research and development time requirements and expenditure of additional monies to evaluate the effects of these changes on the airbag adaptation program.

Shortly before filing its application for first renewal, Panoz learned that Ford was replacing the 5.0L engine and emission control system on the 1996 Mustang and other passenger cars with a modular 4.6L engine and associated emission components. The 1995 system did not meet 1996 On-Board Diagnostic emission control requirements, and Panoz was faced with using the 1996 engine and emission control system as a substitute. The majority of the money and man hours at that time had been spent on adapting an airbag system to the 5.0L engine car, and the applicant had to concentrate on adapting it to a 4.6L engine car. Panoz listed eight types of modifications and testing necessary for compliance that would cost it \$337,000 if compliance were required at the end of a one-year period. It asked for and received a two-year renewal of its exemption.

However, Panoz found integration of the 4.6L engine into its existing chassis more difficult than anticipated, primarily because the 4.6L was 10 inches wider than the engine it replaced. This required a total redesign of the chassis, requiring expenditure of "a significant amount of resources." Simultaneously, it designed the vehicle to allow for the integration of the Ford Mustang driver-side and passenger-side airbag systems. Panoz describes these steps in some detail and estimates that between May 1995 and August 1997 it spent 2200 man-hours and \$66,000 on these efforts. In the same time period, it spent \$47,000 in static and dynamic crash testing of a 4.6L car related to airbag system development. Panoz concludes by describing the additional modifications and testing required to adapt the Ford system to its car. These costs total \$358,000. A two-year renewal of its exemption would provide sufficient time to generate sufficient income (approximately \$15,000 a month through sales of vehicles and private